GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA

STARRED QUESTION NO:366
ANSWERED ON:22.08.2006
REVIEW OF CRF/NCCF
Ananth Kumar Shri ;Jha Shri Raghunath

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether the intended objectives of the Calamity Relief Fund (CRF) and the National Calamity Contingency Fund (NCCF) are being achieved;

(b) if so, the details thereof;

(c) whether the Government has constituted an Expert Group to review the guidelines existing for extending the relief for natural calamity relief work under CRF and NCCF;and

(d) if so, the details thereof alongwith the progress made so far in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI S. REGUPATHY)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LQK SABHA STARRED QUESTION NO. 366 FOR ANSWER ON 22nd AUGUST 2006 REGARDING REVIEW OF CRF/NCCF.

Financial assistance in the event of natural calamities is provided to the States from the Schemes of Calamity Relief Fund (CRF) and the National Calamity Contingency Fund (NCCF). These Schemes are reviewed and revised after every five years by successive Finance Commissions. The present Schemes of CRF/NCCF have been notified by the Government of India, based on the recommendations of the Twelfth Finance Commission (TFC), which are in operation during the years 2005-06 to 2009-10. The TFC have defined the natural calamities eligible for assistance from CRF/NCCF viz. cyclone, drought, earthquake/Tsunami, fire, flood, hail storm, landslide, avalanche, cloud burst and pest attack.

2. As per the Scheme, a CRF has been constituted for each State, which is contributed by the Government of India and the concerned State Government in the ratio of 75:25. The Central share of the CRF is released to the States in two instalments, the first instalment is released in June and the second in December. In the event of a calamity of a severe nature, assistance from NCCF is also provided to the States, after following the laid down procedure.The expenditure from the CRF/NCCF is required to be incurred as per the items and norms approved by the Government.

3. The objectives of the two Schemes of CRF and NCCF are to meet the expenditure for providing immediate relief to the victims of defined natural calamities and for the repair/restoration of damaged infrastructure of an immediate nature to facilitate rescue and relief operations.The basic objectives of CRF and NCCF, are being met through the implementation of these Schemes.

4. In the States, a State Level Committee has been constituted under the Chief Secretary, which is empowered to decide on all matters connected with the financing of the relief expenditure and to ensure that money drawn from the CRF account is actually utilized for the purposes for which the CRF has been set up and expenditure is incurred as per the items and norms of assistance approved by the Government of India. The Accountant General of the concerned State is required to maintain the accounts in respect of these Funds.

5. The items and norms of assistance from the CRF/NCCF are generally revised after the Award of every Finance Commission. Subsequent to the Award of the TFC, the Government of India in the Ministry of Home Affairs constituted an Expert Group to review and revise the extant items and norms of assistance from CRF/NCCF. The Group comprised representatives from the concerned Central Ministries/Departments and some State Governments.

6. In order to facilitate a comprehensive review of the extant items and norms of assistance, the Expert Group solicited the views/ suggestions of all the States and the concerned Central Ministries/Departments/Organisations.The Group also had a series of meetings and consultations with the concerned Central Ministries/Departments.

7. The Expert Group has since submitted its report to the Government. The Government of India is examining the recommendations of the Expert Group. Thereafter, a proposal for revision of items and norms of assistance from CRF/NCCF will be placed before the High Level Committee, shortly, for its consideration. After the approval of HLC, the approved revised items and norms will be notified

and circulated to all States and the concerned Central Ministries/Departments for implementation.